



State Water Resources Control Board

Mailing Address: P.O. Box 100 Sacramento, CA 95812-0100

MARCH 19 1998

901 P Street Sacramento, CA 95814 (916) 657-2399 FAX (916) 657-0932 Mr. John R. Garamendi Deputy Secretary U. S. Department of the Interior 1849 C Street, MS 5100-MIB Washington, D.C. 20240

Dear Mr. Garamendi:

BAY-DELTA WATER RIGHT HEARING PROCESS

I appreciate the opportunity to discuss the State Water Resources Control Board's Bay-Delta water right process with you on March 16, during your visit to Sacramento. During our conversation, you expressed concern that the Board's recent announcement rescheduling its hearing process in order to provide the parties an opportunity to execute agreements may delay the adoption of a final water right decision. Furthermore, you believe a regulatory mechanism should be established to ensure continued compliance with the 1995 Bay-Delta Plan objectives after December 1998, when Water Right Order 95-6 expires, if the water right process is not completed this year.

The Board was also concerned about any delay in the adoption of a water right decision when it considered requests for an extension in the start of the proceeding. However, the Board believes that a rescheduled proceeding may not result in any delay of a final water right decision and, in any event, that the benefits associated with negotiated agreements outweigh this concern. As you are aware, water right proceedings can be very contentious and can extend for substantial periods. In this case, we anticipate participation by around 100 separate parties or groups of parties and over 450 witnesses. The amount of time required to complete such a proceeding may be more than the alternative of addressing agreements in a separate proceeding. In addition, following adoption of a decision, lawsuits often ensue. Many years can pass before the parties are certain that a decision will stand. Agreements among some of the parties involved in certain issues may result in fewer lawsuits with fewer issues to resolve and may help ensure a fair and reasonable result.



Our mission is to preserve and enhance the quality of California's water resources, and ensure their proper allocation and efficient use for the benefit of present and future generations.

The Board intends to assure continued compliance with the Bay-Delta Plan objectives after December 1998 when Water Right Order 95-6 expires. Regardless of how the Board elects to structure the hearing process, the Board will place a high priority on continued implementation of the objectives after 1998, and a specific water right order to ensure their continued implementation will be adopted before the end of the year.

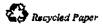
For your information, I have enclosed a possible schedule for the Bay-Delta hearings. This schedule is based on an assumption that the Board will have a separate hearing to consider agreements. The schedule, among other issues, will be discussed at a Board workshop on April 21, 1998. A copy of the workshop announcement is also enclosed. The Board will release a new hearing notice and schedule shortly after the workshop. Please call me at (916) 657-2399 if you have any questions.

Sincerely,

ORIGINAL SIGNED BY

John Caffrey Chairman

Enclosures (2)



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